

When Your Car is a

LEMON

THE cost of an automobile is a major expenditure, and when buyers are not satisfied with their purchases their frustration or anger becomes a major irritant for themselves and family members. A lack of knowledge about consumers' rights often compounds their aggravation.

Automobile buyers have long been at the mercy of retail dealers because it was difficult for dissatisfied consumers to gain access to out-of-state automakers.

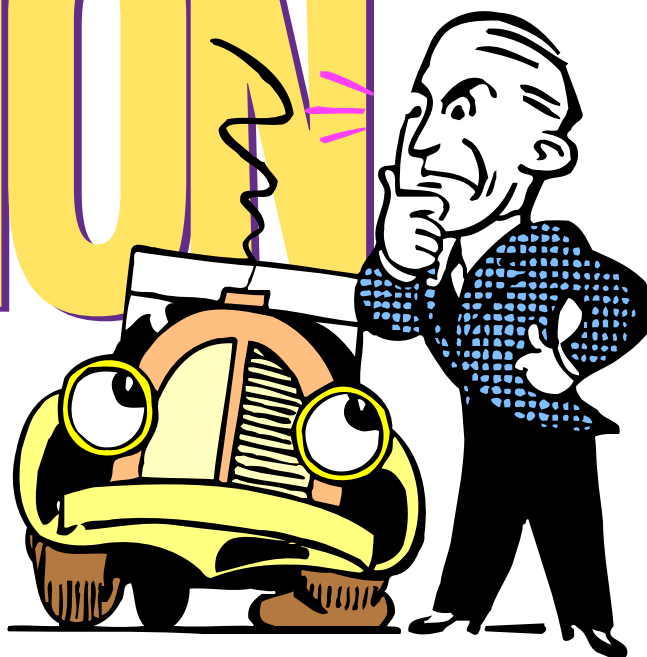
This often left customers at the retailer's garage, waiting for repeat and unending repairs.

Some consumers have abandoned their defective vehicles on the dealer's lot and stopped making their monthly payments in the mistaken belief that doing so would end their debt obligation and cancel the sale. Others have set their cars on fire as a show of defiance and to embarrass the dealer.

Neither approach is legal, nor do they terminate the buyer's obligation to continue paying the finance debt, regardless of the condition of the vehicle.

Over time, however, the expansion of communications has permitted consumers to unite and seek restitution from the manufacturers. As evidence of repeated repairs for the same manufacturer defects grew without speedy correction, this justified legislative relief that now permits timely and effective action directly against the automaker.

Following the lead of states like Connecticut, which enacted the first so-called "Lemon Law" in 1982, Virginia enacted its own law to provide consumer relief



from possible abuses by the auto industry. Soldiers should consult their local legal-assistance attorneys to determine the specifics of their own state laws, but the Virginia law serves as an insight to the Lemon Law remedy.

What is Covered?

Any new or used vehicle with a manufacturer's warranty that is still in effect is covered by the Virginia law and the laws of most other states that have enacted such legislation. Vehicles covered include passenger cars, pickup and panel trucks, motorcycles, motor homes and mopeds — and leased vehicles, demonstrators and lease-purchase vehicles that are purchased for personal use. The Virginia law applies even if the vehicle was purchased in another state.

The period covered is the first 18 months after the original date of delivery of the motor vehicle to the consumer, not the date the vehicle was ordered.

Lemons Defined

To justify relief, one of the following must occur:

■ An authorized dealer, or the manufacturer, attempted to repair the same defect or a condition that "significantly impairs the use, market value or safety" of a vehicle, and it was not fixed after three tries.

SALES CONTRACT

VOID

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It has a safety defect that was not fixed after one try.

The vehicle has been out of service due to repair for a cumulative total of 30 days during the last 18 months.

Customer Responsibilities:

Customers must protect themselves from the moment they purchase a vehicle by familiarizing themselves with the warranty book, understanding its provisions and complying with the stated requirements. As proof that you've met these requirements, do the following:

Keep copies of all repair bills or work orders, even if the repairs were free.

Request copies of the repair voucher each time the vehicle is turned in for repair, and verify that it clearly indicates the defect, the date and the odometer mileage.

Keep records of all maintenance performed, including oil changes.

What you say to an auto dealer is also a key factor in protecting yourself. Always tell the dealer what the difficulties are and have the dealer diagnose the defect. Don't tell the dealer what to replace or how to repair the vehicle. Make sure that the problems you describe are noted on the work order. To qualify for relief in a lemon case, you must be able to prove that the conditions you described have not been fixed.

You must notify the manufacturer if a problem persists and you no longer wish to continue repair attempts. This can be done by telephone but should be followed by a certified, return-signature letter describing the problem condition. Be sure to include copies of the repair orders, and be prepared to request one of your available options. Also be sure to keep records of all communications with the manufacturer.

Options? What Options?

Under the warranty agreement, the manufacturer or its agents are obligated to "conform" the vehicle to the warranty. If, through careful record keeping, you can verify nonconformance, the manufacturer must:

Replace the motor vehicle with a comparable motor vehicle acceptable to the consumer, or

Accept return of the motor vehicle and refund the full purchase price to the consumer and any lien holder, including all collateral charges and incidental damage costs, less a reasonable allowance for the consumer's use of the vehicle up to the date of the first notice of nonconformity.

The consumer has the unconditional right to choose a refund rather than a replacement vehicle and to drive the defective motor vehicle until either the replacement vehicle or a refund is received.

Legal Assistance

Should the manufacturer refuse to grant either of these options, you still have avenues for relief. One choice is to file a civil suit. Legal-assistance attorneys do not litigate such actions, but can help clients find law firms that are skilled at such litigation. Another avenue is through arbitration/dispute-resolution programs offered by each manufacturer.

It is the consumer's choice whether to arbitrate or litigate. If arbitration results in favor of the consumer for either a refund or a comparable motor vehicle, the manufacturer has 40 days from the receipt of the consumer's acceptance of the decision, or from the date of the court order, to comply with the decision. Virginia law provides for the court to triple the value of the award and grant additional relief if the manufacturer fails to comply.



Court action permits the following costs to be recovered:

Reasonable attorney fees. Court costs.

Purchase price of vehicle.

Such collateral charges as sales tax, license fees, interest, transportation charges, dealer-preparation charges and service-contract charges.

